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Chair: Mr. Tommo Monthe ..... (Cameroon)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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The meeting was called to order at 10.05 a.m.

Agenda item 133: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*) (A/72/5 (Vol. II), A/72/756, A/72/850)

1. **Mr. Bajaj** (Chair of the Audit Operations Committee of the Board of Auditors), introducing the financial report and audited financial statements for the 12-month period from 1 July 2016 to 30 June 2017 and report of the Board of Auditors on United Nations peacekeeping operations (A/72/5 (Vol. II)), said that the Board had issued 16 management letters during the period under review. The Administration's responses to the management letters and to the draft report had been reflected in the final report.

2. The Board had issued an unqualified opinion on the financial statements, which presented fairly, in all material respects, the financial position of the United Nations peacekeeping operations as at 30 June 2017 and their financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS). The peacekeeping budget for the financial year 2016/17 had been $7.9 billion, a decrease of 4.7 per cent compared with the previous year's budget of $8.3 billion. Expenditure had decreased by 2.7 per cent, from $8.0 billion in 2015/16 to $7.8 billion in 2016/17. An amount of $0.1 billion had been unutilized. The year ended 30 June 2017 had been the fourth year of the preparation of the financial statements under IPSAS.

3. The Board had made 75 new recommendations, up from 55 in its previous report. The high number of recommendations was partly the result of a comprehensive air operations audit, conducted at the request of the Advisory Committee on Administrative and Budgetary Questions, which had resulted in 15 recommendations. Recommendations often required actions to ensure compliance and could take time to implement. The Administration had implemented 92 per cent of the recommendations made in 2013/14, 71 per cent of those made in 2014/15 and 42 per cent of those made in 2015/16. He recalled that the General Assembly, in its resolution 69/249, had requested the Secretary-General to ensure the full implementation of the recommendations of the Board in a prompt and timely manner and to provide a full explanation for delays in the implementation of outstanding recommendations.

4. Several peacekeeping missions had posted in Umoja transactions, including both revenues and expenses, performed by welfare committees. As a result, those transactions had inadvertently been incorporated into the financial statements of the peacekeeping operations. The general ledger account on which some of the welfare committees had posted their transactions showed a liability of $1.2 million for the United Nations as at 30 June 2017. Owing to a lack of comprehensive reporting, it was unclear whether that liability was covered by the funds of the welfare committees or whether United Nations budgetary resources had been spent on welfare activities. The Board had also noted instances in which revenues intended for the welfare committees had been paid to official United Nations bank accounts and where official United Nations bank accounts had been used by the welfare committees to effect payments. While recognizing the importance of the welfare committees, the Board was of the view that the current modus operandi entailed a significant reputational risk for the United Nations.

5. On 20 April 2017, the Secretary-General had requested the Under-Secretaries-General for Political Affairs, Peacekeeping Operations and Field Support and the heads of 12 peacekeeping and 6 special political missions to conduct an initiative to enhance the efficiency and cost-effectiveness of United Nations aviation. On 25 April 2017, the Advisory Committee had requested the Board to conduct a comprehensive air operations audit covering both peacekeeping and special political missions.

6. The Board believed that more sharing of commercial and military aircraft was possible, but that would require improved coordination among missions. It also believed that coordination and tasking for all strategic aircraft could be centralized, and that regional centralization could be considered. Globally and regionally centralized aircraft coordination and tasking would entail centralized air operations budgets, as missions still controlling their own air operations budgets would hamper centralized coordination and unconditional sharing.

7. The Administration had compared actual flight hours to budgeted flight hours to analyse the efficiency and cost-effectiveness of air operations, but more and better indicators were needed to efficiently manage the peacekeeping aircraft fleet. The explanations and justifications of the missions regarding their aircraft fleets were qualitative only and did not allow conclusions to be drawn regarding aircraft fleet composition. None of the missions had provided a concept of air operations that included all aircraft based on their respective mission support plans and military strategic concepts of operations.

8. The United Nations used a contractual instrument called a "letter of assist" to enable Member States to provide military aircraft on a reimbursement basis. Costs for aircraft provided under such arrangements comprised the letter of assist costs for the aircraft itself and the memorandum of understanding costs for associated maintenance personnel and their equipment. There was neither competition nor transparency in the selection of the State providing the aircraft, and aircraft were obtained without paying attention to costs. Cost comparisons showed that commercial aircraft were far less cost-intensive than military aircraft provided under letter of assist arrangements. The letter of assist process was not documented and did not follow any written rules. Accountability and responsibility remained unclear, and the process was not implemented in Umoja.

9. For the strategic air transport of personnel, the Administration used both aircraft from Member States under letter of assist arrangements and a wide-body aircraft under a long-term charter agreement. Transport by the wide-body aircraft was less cost-intensive. The current long-term charter agreement allowed for increasing capacity in order to decrease the use of aircraft from Member States.

10. The Administration and the Office of Internal Oversight Services (OIOS) had initiated and conducted several internal reviews on the letter of assist contractual instrument since 2003. Valuable recommendations for increasing transparency and initiating competition according to the general United Nations procurement principles had not been implemented.

11. At the request of the Advisory Committee, the Board had reviewed procurement at the United Nations Support Office in Somalia (UNSOS) and found a lack of clarity regarding which personnel were responsible for managing expenditures; inadequate compliance with the United Nations Procurement Manual and timelines; and inconsistent application of evaluation criteria. Several items had been ordered and paid for but not delivered, and medical supplies had been procured without prior demand and had expired before they could be used. Controls must be put in place to avoid the recurrence of such cases.

12. The Secretariat had not implemented a clear and transparent system of delegation of authority for peacekeeping operations. In areas such as human resources, procurement and finance, authority was delegated inconsistently. Furthermore, responsibilities and accountability were not aligned. The system lacked a coherent strategy, resulting in complex lines of authority that differed across the main areas, leading to difficulty in understanding or managing authority. In addition, the staff member responsible for implementing a mandate was often not the staff member who had authority to manage the respective resources.

13. According to the Procurement Manual, the determination and selection of the international commercial terms (Incoterms) to be applied should be made by the Procurement Officer on a case-by-case basis. In the contracts reviewed by the Board, the delivery locations and terms had been inconsistent. Some vendors had chosen not to participate in solicitations because they could not offer delivery to the required locations. Strict requirements regarding delivery locations and delivery terms limited competition, as most vendors concentrated on providing goods and not on freight forwarding. In addition, the Board noted that the United Nations did not have full visibility of the costs associated with delivery.

14. In the process of selecting a consultant or individual contractor, heads of departments, offices and missions were responsible for instituting competitive selection procedures (ST/AI/2013/4). That could be done by evaluating individuals from a roster or issuing notice of an opening on an electronic platform. The Department of Field Support and the Department of Peacekeeping Operations did not have a roster or an electronic platform. Missions established "rosters" without having the tools or instructions for doing so. Some used spreadsheets listing all consultants and individual contractors who had previously worked for the mission, while others advertised each consultant project and rostered the applicants. Owing to the lack of a posted opening or the use of a roster, the lists of candidates who were shortlisted were not transparent. The functionality for a consultant and individual contractor roster in Inspira would be rolled out in 2018.

15. In terms of environmental management, missions could do more to prevent soil contamination and dispose of regular and hazardous waste in a more environmentally friendly manner. Administrative stipulations and reporting obligations were not always adhered to. Missions could also make better use of renewable energy sources.

16. The Board had identified lessons to be learned from the liquidation of the United Nations Operation in Côte d'Ivoire (UNOCI), taking the view that liquidation should have begun earlier. In addition, key personnel had left UNOCI too early, meaning that valuable know-how had not been available for tasks such as the sale of assets, the decontamination of sites and the handover of sites and facilities to the host country. The Regional Service Centre in Entebbe, Uganda, had carried out

residual administrative functions only, mainly in the areas of finance, human resources and travel. In future, the liquidation phase should start sooner and the Centre should assist at an early stage. To ensure that key personnel did not leave too soon, they should be given a secure prospect of follow-on employment. Lastly, missions should use standardized handover certificates.

17. **Ms. Bartsiotas** (Controller), introducing the Secretary-General's report on implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2017 (A/72/756), said that section II of that report contained additional information in response to the recommendations in the Board's report (A/72/5 (Vol. II)). The Secretary-General's report took into account the request made by the General Assembly in its resolution 71/261 B for the Secretary-General to indicate an expected time frame for the implementation of the Board's recommendations and to provide a full explanation for any implementation delays. The report included the level of priority given to, status of and office responsible for the implementation of all outstanding recommendations.

18. For the period ended 30 June 2017, the Secretariat had given high priority to the Board's recommendations regarding air operations; delegation of authority; the use of consultants; procurement; standard costing of property, plant and equipment; disclosures regarding related- party transactions; internal controls relating to payments; welfare and recreation committees; the Galileo decommissioning project; travel management; the unused United Nations Interim Security Force for Abyei (UNISFA) airport; environmental management; and the liquidation of missions.

19. In the area of air operations, the Board had recommended that the Administration should establish a central budget for all strategic air operations and consider including in it all regional air operations and air troop movements. The Board had also recommended that the Administration should consider introducing centralized aircraft coordination at global and regional levels, which would permit the sharing of commercial and military aircraft between peacekeeping and special political missions in the most efficient and cost-effective way.

20. The Board had recommended that the Secretariat should develop a clear, simple and transparent system for delegating authority to peacekeeping missions and ensure that responsibilities and accountability were aligned. The Board had also recommended that the Administration should implement the tools necessary for a process for competitive selection of consultants and individual contractors and provide adequate guidance to missions. All of the Board's recommendations had been accepted by the Administration.

21. Of the 55 recommendations made by the Board in the 2015/16 financial year, 2 had been overtaken by events, 23 had been implemented, 28 were under implementation and 2 had not been implemented. Over the prior three financial years (2012/13–2014/15), the Board had made a total of 143 recommendations, of which 10 had been overtaken by events, 128 had been implemented and 5 were under implementation. In its report, the Board had acknowledged that its recommendations often required action to ensure compliance and could in some cases take longer to implement. Of the 35 recommendations that were under implementation or had not been implemented, the Administration had requested the closure of 6 recommendations; implementation of the remaining 29 was in progress.

22. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/72/850), said that, in keeping with the intention expressed in its previous report (A/71/845), which had been endorsed by the General Assembly in its resolution 71/261 B, the Advisory Committee had consolidated its comments on the findings of the Board into its report on cross-cutting issues related to peacekeeping operations (A/72/789); mission-specific findings would continue to be reflected in the Advisory Committee's reports on individual peacekeeping missions. Henceforth, the Advisory Committee would not submit a separate report on the Board's findings and would instead comment on them during the introduction of its report on cross-cutting issues.

23. **Mr. Ahmed** (Egypt), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the financial oversight provided by the Board, believing that it complemented the oversight provided by OIOS and the Joint Inspection Unit, and that the Board's comprehensive and detailed report would enable the Committee to better understand a number of the challenges associated with peacekeeping operations.

24. Having noted that the rate of implementation of the Board's recommendations had been low compared to the 2016/17 financial year, and particularly that, of the 28 main recommendations still to be implemented, 17 had been targeted for implementation in 2018 and 3 for implementation in 2019, leaving 8 recommendations

with no specific implementation target dates, the Group recalled that the General Assembly, in its resolution 69/249, had requested the Secretary-General to ensure full implementation of the Board's recommendations in a timely manner and to provide a full explanation for delays in implementation.

25. The Group had also noted in the current report of the Board recommendations that repeated or resembled those in previous reports, in addition to the highlighting of new challenges relating to peacekeeping operations. It therefore looked forward to examining during the forthcoming informal consultations how the Secretariat could address new challenges expeditiously and ensure that sufficient, relevant and timely data was provided. The Secretariat should also conduct quality assurance to avoid the errors described in the Board's report.

26. The Group was concerned about a number of the issues raised by the Board, and would seek clarifications on the following during the Committee's informal consultations: shortcomings regarding master records that had hampered the transition from legacy systems to the Umoja supply chain solution; the lack of comprehensive reporting, which entailed a significant reputational risk for the United Nations; the provision of enhanced disclosures regarding related-party transactions; weaknesses in internal control relating to payments; problems with the valuation of assets, in particular actual costs for self-constructed items of property, plant and equipment that qualified for recognition as assets; the lack of a consistent and clear system for delegating authority; overreliance on consultants and individual contractors and the need to improve the selection process; fraud and presumptive fraud; non-compliance with the air travel management policy; insufficient adherence to administrative stipulations and reporting obligations regarding environmental management; and shortcomings in relation to air transport, which was a major item of expenditure.

27. **Mr. De Preter** (Observer for the European Union), speaking also on behalf of the candidate countries Albania, Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Bosnia and Herzegovina; and, in addition, the Republic of Moldova and Ukraine, said that the European Union appreciated the important work carried out by the Board, which provided Member States with an independent assessment of the use of their funds. The Board was a crucial component of the United Nations system's oversight framework and contributed to improving the governance of the Organization by driving it to operate in a more transparent and cost-effective way, thereby enabling it to implement its mandates more efficiently.

28. The European Union was pleased that the Board had issued an unqualified opinion on the financial statements and that the peacekeeping operations remained financially stable. It welcomed the strengthening of the processes for the preparation of financial statements by implementing Umoja, but agreed with the Board's observations that there was room for improvement in such areas as budget formulation and financial management, mission liquidation, procurement and contracting, human resources, travel and environmental management.

29. In particular, the system of delegation of authority should be improved and reformed, both at Headquarters and in peacekeeping operations. The European Union strongly supported the Secretary-General's reform initiatives. His delegation appreciated the Board's comprehensive air operations audit and agreed that greater emphasis should be placed on fraud awareness and prevention. The European Union would continue to encourage the Secretary-General to ensure that the Board's recommendations were fully implemented in a timely manner. His delegation would comment on the details of the Board's findings in the context of the discussions on the budgets of individual missions and the observations of the Advisory Committee on the Secretary-General's report on the overview of the financing of the United Nations peacekeeping operations.

30. **Ms. Norman-Chalet** (United States of America) said that her delegation placed great importance on the work of the Board, whose report provided a valuable insight into issues essential to the efficient functioning of peacekeeping operations. The Board's findings and recommendations enabled Member States to take informed decisions to improve peacekeeping. Her delegation noted with appreciation that 96 per cent of the Board's recommendations from the prior three financial years (2012/13–2014/15) had been implemented, and looked forward to discussing progress on issues including procurement, counter-fraud initiatives and human resources management. Her delegation was also pleased that all peacekeeping operations remained financially stable, with sufficient cash resources to sustain core operations, and that 2016/17 had been the first year for which financial statements had been prepared without the use of the legacy financial system, enabling their timely submission. She urged the Organization to continue to improve its IPSAS-based accounting processes.

31. Audits were important tools for ensuring that financial risks were mitigated and that resources were properly utilized. Given that staffing costs accounted for some 20 per cent of expenditure on peacekeeping, her delegation agreed with the Board's recommendation that staffing requirements should be determined more systematically and comprehensively. The Secretariat should develop a methodology for determining those requirements, based on key performance indicators measuring workload, with a view to ensuring an objective approach across all missions, supporting mission planning and facilitating the budget process.

32. Her delegation was closely examining air operations, which were a major cost-driver for peacekeeping missions and accounted for almost 10 per cent of overall expenditure. Her delegation supported the Board's call for better performance indicators to manage the peacekeeping aircraft fleet, beyond utilization of budgeted flight hours. The Organization should achieve efficiencies in the use of existing aircraft, identify required air assets based on clear military and logistical requirements, and pursue the most effective options for procuring those assets.

33. Her delegation called on the Secretariat and the missions to better integrate the Board's recommendations into their day-to-day operations, with a view to increasing good governance and transparency and ensuring that Member States and other stakeholders could make informed decisions regarding peacekeeping resources. Implementation of the recommendations, supported by strong leadership, would enable the Organization to achieve real, demonstrable improvements in mandate delivery.

34. **Mr. Fu** Liheng (China) said that his delegation welcomed the report of the Board in the light of the growing role of auditing in the administrative and budgetary management of the United Nations, and the increasingly high expectations of Member States in that regard. His delegation believed that the recommendations contained in the report must be implemented effectively and was consequently concerned that, of the 55 recommendations made by the Board in the 2015/16 financial year, only 23 — less than 42 per cent — had been fully implemented. For 2016/17, the Board had made 75 recommendations, which his delegation hoped would be fully implemented by the Secretariat through effective measures. His delegation was extremely concerned by the major problems identified during the auditing process. Identifying such problems was just the first step; the problems must be addressed in a timely manner and action taken to avoid their recurrence.

35. The large-scale redeployment of resources under certain categories of expenditure had diminished the credibility and constraining power of the peacekeeping budget. In the area of air operations, which accounted for some 10 per cent of the total, a number of management problems had arisen, including insufficient coordination among missions, flawed performance indicators and the excessive cost of some aircraft. In addition, the Organization had invested heavily in Umoja, but that enterprise resource planning system had many functional deficiencies. Internal control was weak and fraud was frequent. Lastly, there was no clear and transparent system for delegating authority and there was a lack of consistency in practices in the areas of human resources, procurement and financial administration.

Agenda item 136: Programme budget for the biennium 2018–2019 (*continued*)

Revised estimates relating to the proposed restructuring of the United Nations peace and security pillar (A/72/772 and A/72/859)

36. **Ms. Viotti** (Chef de Cabinet), introducing the report of the Secretary-General on revised estimates relating to the programme budget for the biennium 2018–2019 under section 3, Political affairs, and section 5, Peacekeeping operations, and the proposed budget for the support account for peacekeeping operations for the period from 1 July 2018 to 30 June 2019 related to the peace and security reform (A/72/772), said that the Secretary-General was firmly committed to reforming the United Nations. He had launched three reform tracks in 2017 to improve the Secretariat's ability to implement its existing mandates and use its resources in the most effective manner. The Secretary-General had engaged in extensive consultations with Member States, holding meetings with the five regional groups of Member States and convening an informal meeting of the General Assembly.

37. She recalled that the Secretary-General had established an internal review team to review the peace and security pillar. In addition to consulting the departments and offices concerned, the internal review team had drawn on several independent reviews conducted prior to the Secretary-General's assumption of office, including the report of the High-level Independent Panel on Peace Operations (A/70/95-S/2015/446) and the report of the Advisory Group of Experts on the Review of the Peacebuilding Architecture (A/69/968-S/2015/490), which had identified some of obstacles to effectiveness in that area of the Organization's operations. While the reviews indicated that the obstacles stemmed primarily from the

broader political and institutional challenges facing the United Nations and the international community, they also recognized the need to adjust the structure of the Organization to improve mandate delivery.

38. In his report on the restructuring of the United Nations peace and security pillar (A/72/525), the Secretary-General had emphasized that the overarching goals of the reform and restructuring were to prioritize prevention and sustaining peace; enhance the effectiveness and coherence of peacekeeping operations and special political missions; make the operation of peace and security pillar activities more coherent, nimble and effective through a "whole-of-pillar" approach; and align the peace and security pillar more closely with the development and human rights pillars. The General Assembly, by its resolution 72/199 of 20 December 2017, had expressed its support for the Secretary-General's vision and requested him to submit a comprehensive report on his reform proposal.

39. The present comprehensive report (A/72/772), submitted pursuant to resolution 72/199, presented detailed proposals which adhered to the assurances provided in the original report on the restructuring of the United Nations peace and security pillar (A/72/525): those proposals did not seek to change the established mandates or functions of the peace and security pillar, increase the overall number of posts in the pillar, or reallocate resources from development or other areas to peace and security.

40. The valuable work of the Department of Political Affairs, the Department of Peacekeeping Operations and the Peacebuilding Support Office must be managed as part of a continuum. The Organization's preventive diplomacy, peacemaking, peacekeeping and peacebuilding efforts belonged to the same "toolbox" and should be deployed with flexibility. To do so, the current structures at Headquarters must be reconfigured to bring together and create synergies among the knowledge, capacity and experience contained within the three existing departments. In short, the Secretary-General's vision could be described as "two departments, one pillar".

41. Highlighting the main features of the detailed proposals, she said that the new Department of Political and Peacebuilding Affairs would combine the functions of the existing Department of Political Affairs and the Peacebuilding Support Office, with a view to ensuring a more holistic and integrated approach to conflict prevention, electoral assistance, mediation and peacebuilding. The peacebuilding components of the Department of Political and Peacebuilding Affairs would act as a bridge between the peace and security pillar and the United Nations development system and humanitarian actors.

42. The departmental restructuring would help to revitalize the Peacebuilding Support Office, in line with the mandate contained in the interrelated resolutions on the review of the United Nations peacebuilding architecture (General Assembly resolution 70/262 and Council resolution 2282 (2016)), because the resulting efficiency gains would enable the redeployment of seven posts to the Office from within existing resources, an increase of almost 50 per cent. A strengthened Peacebuilding Support Office would be better able to assist the Peacebuilding Commission, particularly in terms of providing peacebuilding support in mission settings, such as in the Central African Republic, the Sahel and the Great Lakes region. The proposal to transfer seven posts to the Office did not mean that they were not needed elsewhere; rather, it reflected the Secretary-General's commitment to supporting Member States' calls for the Office to be revitalized.

43. The new Department of Peace Operations would integrate peacekeeping operations and two large field-based special political missions, the United Nations Assistance Mission for Iraq (UNAMI) and the United Nations Assistance Mission in Afghanistan (UNAMA). It would also include the Office of Military Affairs and specialized capacities that currently fell under the Office of Rule of Law and Security Institutions. Given the operational commonalities of peacekeeping operations and some special political missions, more harmonized and consistent support for such operations was needed. The proposed restructuring respected the basic principles of peacekeeping, but by bringing the larger special political missions under one department, it sought to bring more coherence and consistence to the way in which the Organization planned, managed, reviewed and transitioned out of peace operations and provided political guidance.

44. At the heart of the reform proposal was a single political-operational structure to be created through the merger of the regional divisions of the Department of Political Affairs and the Department of Peacekeeping Operations. The structure would be shared by the Department of Peace Operations and the Department of Political and Peacebuilding Affairs, and would be headed by three Assistant Secretaries-General with distinct regional responsibilities. The Assistant Secretaries-General would be responsible for all substantive aspects of peace and security work in their respective regions, including preventive diplomacy and mediation, field presences and peace operations. The arrangement would significantly enhance the Secretariat's substantive capacities, analytical

capabilities, the formulation of regional strategies and engagement with partners.

45. The structure would serve as a single point of entry for Member States, partners and interlocutors for all political and operational matters. The African Union, for instance, would no longer have to work with the Department of Political Affairs, the Department of Peacekeeping Operations and the Peacebuilding Support Office, but instead with a single integrated regional structure for Africa, covering political, peacebuilding and operational issues. In that connection, she emphasized that care had been taken to ensure that the new structure would have sufficient capacity to cope with the Organization's heavy peace and security workload in Africa. The three divisions overseen by the Assistant Secretary-General for Africa would bring together all of the staff currently working in the four existing Africa Divisions in the Department of Political Affairs and the Department of Peacekeeping Operations. The Assistant Secretary-General for Africa would have more staff than the other two Assistant Secretaries-General combined.

46. Noting the synergies among reforms in peace and security, development and management, she said that both the peace and security and the management reforms were intended to make the work of the Organization more coherent and improve the manner in which Headquarters provided substantive and operational support to the field, including peace operations. Management reform was intended to ensure the provision of better policy guidance and operational support to all departments, offices, regional commissions and field missions, coupled with increased monitoring and compliance functions, while the peace and security reform aimed to improve support for peace operations and thereby facilitate mandate delivery, all while enhancing accountability.

47. Not only did the peace and security reform proposal offer many benefits to Member States, but it was also realistic, manageable and achievable. All organizations must periodically assess their functioning in a candid way, and make adjustments. The Secretary-General, in his capacity as chief administrative officer of the Organization, was seeking to reorganize existing structures at Headquarters to enhance the performance of the peace and security pillar. From the outset, he had emphasized that his reforms were not a cost-cutting exercise, but were aimed at making the pillar more effective. Care had been taken to strengthen the Organization's capacities using existing resources, without changing mandates and budgetary sources. However, the Organization could not *implement* its current mandates with less.

48. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/72/859), said that the Advisory Committee had noted the support expressed by the General Assembly in its resolution 72/199 for the Secretary-General's vision for the reform of the peace and security pillar of the Organization. Subject to the comments and recommendations contained in its report, the Advisory Committee had no objection to the revised estimates relating to the programme budget for the biennium 2018–2019 and the related part of the proposed budget for the support account for peacekeeping operations for 2018/19.

49. With respect to the proposed single regional political-operational structure, the Advisory Committee emphasized the importance of ensuring that the Standing Principals' Group would function as intended. The Advisory Committee trusted that the two Under-Secretaries-General of the proposed new departments would collaborate and work together in support of a coherent and "whole-of-pillar" approach, and recommended that the General Assembly should request the Secretary-General to review and report on the functioning of the new structure.

50. The appropriateness and functioning of the arrangement proposed for the regional divisions under the single structure needed to be assessed, as appropriate, against the actual workload of the regional divisions, to ensure the implementation of mandates in the most effective and efficient manner. In addition, the coordination functions to be undertaken by the Director for Coordination and Shared Services, serving the two new departments and the single structure, should be kept under review if the arrangement was approved by the General Assembly.

51. Regarding the proposed transfer of two field-based special political missions to the Department of Peace Operations, the Advisory Committee recommended that the General Assembly should request the Secretary-General to set out clear criteria for such transfers, with a view to ensuring the clarity and consistency of organizational backstopping arrangements. Concerning the proposal to strengthen the Peacebuilding Support Office by redeploying seven posts, in the absence of a policy change by the Assembly, the Advisory Committee recommended against the proposed redeployment of the three posts funded under the support account from the Department of Peacekeeping Operations to the Office.

52. It was not clear how enhanced effectiveness, one of the four objectives of the reform, could be measured,

as no changes were envisaged in the approved expected accomplishments, indicators of achievements or outputs related to the respective programmes. In addition, the Advisory Committee would have expected that such a major organizational initiative would have led to economies of scale and freed up resources by eliminating duplication of efforts.

53. **Mr. Ahmed** (Egypt), speaking on behalf of the Group of 77 and China, said that the Group welcomed the Secretary-General's efforts to reform the Organization's peace and security architecture and make the United Nations more coherent, effective and fit-for-purpose, to better deliver on its mandates. The Group was encouraged by his commitment to consulting Member States and ensuring that the reform process remained inclusive and transparent, as the support and trust of Member States were critical. Noting the magnitude of the proposed changes, he said that the Group looked forward to discussing how they would succeed in making the Organization more effective and efficient on the ground. The Group would be mindful of the links between the peace and security reform and the management reform.

54. The Group would seek clarification of the effect of the proposed restructuring on functions, reporting lines, accountability and mandate delivery. Clear lines of accountability were important for mandate implementation and measuring staff performance. The Group wondered how the proposed restructuring would fit into the strategic framework and how the Secretariat would continue to fulfil approved objectives, expected accomplishments, indicators of achievements or outputs. The real measure of success would be whether the changes improved mandate implementation and service delivery.

55. The Group was pleased that the proposals focused on outcomes, rather than on arbitrary cost-cutting and reductions. Change must be properly managed and coordinated, and adequate risk mitigation measures should be put in place to ensure that movements at Headquarters did not affect operations in the field. The Group welcomed the goal of enhancing the effectiveness and coherence of peacekeeping operations and special political missions. To that end, it would engage actively in discussions to establish clear and consistent criteria for the transfer of the backstopping of field-based special political missions, in order to optimize the service that Headquarters provided to those missions.

56. Recalling the interrelated resolutions of the General Assembly and the Security Council on the review of the United Nations peacebuilding architecture, he said that the Group looked forward to receiving more information on the strengthening of the Organization's capacity to support peacebuilding and sustaining peace. The Group would be interested to learn about the ability of the proposed changes to improve coordination, exploit synergies and avoid duplication in entities throughout the United Nations system. The "whole-of-pillar" approach should be applied consistently so that the Organization could address cross-cutting issues, such as gender, in a holistic and coherent way.

57. **Mr. Koonjul** (Mauritius), speaking on behalf of the Group of African States, said that the Group supported the Secretary-General's vision for reforming the peace and security architecture of the Organization, welcomed his commitment to improving the Organization's ability to deliver on its mandates and his engagement with Member States, and trusted that the reform process would remain inclusive and transparent. As most peacekeeping operations were in Africa, the reforms must be in line with the needs of African States and must support African efforts to address African challenges. The Group looked forward to discussing how the reform proposals would achieve the stated objectives, particularly in terms of making the Organization more effective and efficient, bearing in mind the realities and complex situations on the ground.

58. The Secretary-General's proposal to establish three divisions for Africa, covering West and Central Africa, North Africa and the Horn of Africa, and Southern Africa and Great Lakes, should be analysed in depth and consideration given as to whether the workloads of the new divisions might undermine the effective and efficient implementation of mandates. One of the proposed divisions would cover over 20 countries, which might result in a loss of focus and compromise programme delivery. In addition, the new divisional structure should take careful account of existing subregional configurations in Africa.

59. The Group appreciated the Secretary-General's commitment to enhancing the Organization's partnership with the African Union. That commitment should be reflected in the restructuring exercise and in the implementation of the peace and security pillar, with a view to further strengthening cooperation between the two organizations across all efforts to build peace. Also in that connection, the Group would seek more information on how the proposed reforms, including the restructuring of divisions, the allocation of mandates and the establishment of reporting and accountability lines, would affect related African mandates. The Group was also interested in exploring the strengthening of the Peacebuilding Support Office as a vital pillar for sustaining peace.

60. Recalling General Assembly resolution 72/199, he said that a careful approach was needed to maintain balance in terms of resource implications and human resources in the context of the proposed reform; due regard must be paid to the principle of equitable geographical distribution, in particular for Africa. Change must be properly managed and coordinated, and adequate risk mitigation measures should be put in place to ensure that movements at Headquarters did not impact ongoing operations in the field.

61. **Ms. Baumann** (Switzerland), speaking also on behalf of Liechtenstein, said that Liechtenstein and Switzerland supported the Secretary-General's vision for reforming the peace and security architecture of the Organization. She recalled that one of the main goals of the reform was to prioritize prevention and sustain peace and that, in its resolution 2171 (2014), the Security Council had acknowledged the important role that the United Nations, in particular its peace and security pillar, could play in contributing to the prevention of the outbreak, escalation, continuation and recurrence of conflict, while General Assembly resolution 70/262 (2016) had established the concept of "sustaining peace". Accordingly, Liechtenstein and Switzerland fully supported the intention of the reform to integrate, reorganize and consolidate existing resources and operational means in the field of peace and security in a rational manner. Increasing the capacity of the Peacebuilding Support Office would enhance the effectiveness of the pillar by further integrating peacebuilding activities into the single political-operational structure.

62. Any organizational restructuring involved difficulties and risks that must be mitigated through careful management and coordination. Staff must be given transparent information and there should be a period of adjustment. The working methods and institutional cultures of the two departments and the Peacebuilding Support Office should be progressively harmonized, with a view to improving the coherence and efficiency of the work of the peace and security pillar as a whole.

63. **Mr. Yardley** (Australia), speaking also on behalf of Canada and New Zealand, said that, for the reform to achieve its potential of reducing the risk of conflict and significantly improving the Organization's effectiveness at all stages of the peace continuum, the Fifth Committee must translate collective political will into action. The Member States had entrusted the Secretary-General, as the chief administrative officer of the United Nations, with presenting a package of proposals on peace and security reform; they must, therefore, treat the proposals as a package. Australia, Canada and New Zealand were supportive of the proposals, which were the result of a careful balancing of interests. Care must be taken not to disrupt that balance. In particular, the Peacebuilding Support Office, which had an important "hinge", or bridging, role, must be properly resourced. The Office was an essential part of an integrated approach to peacebuilding and sustaining peace. In that connection, a drive to achieve efficiencies, or the inflexible application of budget policies, should not hinder essential parts of the reform package.

64. Planning should start immediately to ensure the full and effective implementation of the reform in letter and spirit. While the proposed peace and security reform involved less far-reaching structural changes than was the case with the other reform tracks, peace and security reform carried the same expectations for significant change in the Organization's culture. Under the proposals, the Department of Peacekeeping Operations, the Department of Political Affairs, the Peacebuilding Support Office and officers based in the field would need to change their approach to day-to-day operations. While the structural changes proposed might facilitate that change, the key requirement in that regard was a commitment to a new approach that, instead of focusing on past practice, placed concepts such as integration, collaboration, preventive action and field-level effectiveness at the core of the Organization's work. Such a change in culture would require sustained efforts on the part of every staff member.

65. The proposals extended well beyond the mandate and responsibility of any one body or institution. All three reform tracks were vital. Together, the reforms would ensure that the Organization acted resolutely to sustain peace, as called for during the General Assembly high-level meeting on peacebuilding and sustaining peace held in April 2018. Recalling that the Advisory Committee had recommended against the proposed redeployment of three posts to the Peacebuilding Support Office, he asked the Chef de Cabinet whether she agreed with that recommendation and what impact failing to redeploy those posts would have on the underlying intent of the reforms.

66. **Ms. Adamson** (Observer for the European Union), speaking also on behalf of the candidate countries Albania, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Bosnia and Herzegovina; and, in addition, Georgia, the Republic of Moldova and Ukraine, said that the European Union welcomed the Secretary-General's comprehensive report and reform proposals, considering them to be fully in line with the mandate established by the General Assembly in its

resolution 72/199 on the restructuring of the United Nations peace and security pillar. It fully supported the two improvements sought: an improvement in the operation of the peace and security pillar itself, and an improvement in the interaction between the peace and security pillar and the other two pillars of the Organization's work: such efforts would improve the Secretariat's ability to prevent conflict and to maintain and consolidate peace, with the aim of sustaining peace.

67. The European Union believed that, as chief administrative officer of the Organization, the Secretary-General had the authority to act. It gave him its full political backing to proceed with the first steps of implementing his vision. The transition to the new administrative structure should be swift and comprehensive, with a view to preserving continuity in mandate delivery. As a technical committee, the Fifth Committee should examine the proposed peace and security support structures with the expectation that restructuring should deliver efficiencies, while keeping in mind that the overall objective was ensuring better and swifter mandate delivery, in particular on the ground.

68. There was merit in the proposed single political-operational structure, with geographically-oriented regional divisions ensuring a more coordinated and integrated response to conflict-prevention, peacekeeping and peacebuilding needs. The European Union trusted that the Secretariat would take into account the complex and cross-border nature of the situations on the ground when assigning responsibilities to the various divisions. The Standing Principals' Group had a key role to play in ensuring coherence between the departments and the regional divisions. The European Union attached great importance to the strengthening of the Peacebuilding Support Office, which was a key component of the Secretary-General's focus on prevention.

69. During the informal consultations on the issue, the European Union would request more information on the proposals contained in the report, with a view to reaching agreement in a timely, constructive and transparent manner. Peace was the core value and purpose of the United Nations. The Charter of the United Nations encouraged the international community to take effective collective measures and to achieve international cooperation with a view to strengthening universal peace. The United Nations was intended to be a centre for harmonizing the actions of nations in the attainment of those common ends. As a staunch supporter of effective multilateralism, the European Union welcomed the Organization's ambition to lead the way in building and sustaining peace.

70. **Ms. Norman-Chalet** (United States of America) said that her delegation, as a strong supporter of efforts to improve the coherence, effectiveness and efficiency of the United Nations system, welcomed the Secretary-General's proposed reform of the peace and security architecture as a step towards those goals. Her delegation welcomed the Secretary-General's efforts to make United Nations operations more focused, effective, efficient and able to advance political solutions and address the needs of those on the ground.

71. Her delegation was also supportive of the Secretary-General's efforts to improve the coherence of peace operations by prioritizing conflict prevention, ensuring the primacy of political solutions and aligning the peace and security pillar more closely with development, human rights and humanitarian action. Her delegation supported efforts to better integrate peacebuilding within the Organization's peace and security architecture. The Peacebuilding Support Office had a unique role to play in bridging the divides among the three pillars of the United Nations. Reform must ultimately make the United Nations more effective at preventing and responding to conflicts, advancing political solutions and delivering results on the ground. Her delegation would prioritize reform proposals that strengthened effective engagement in political processes and improved mandate implementation.

72. Her delegation was pleased that, under the Secretary-General's proposal, the Assistant Secretaries-General would be empowered to look holistically at decision-making processes. She looked forward to discussing how the Secretary-General planned to define clearly roles, responsibilities and reporting lines and how best to promote integration among the thematic and regional pillars of the two new departments. Her delegation would examine the proposed reporting lines and seek the proper alignment of policy and operations.

73. **Mr. Hattrem** (Norway) said that his delegation fully supported the Secretary General's vision for reforming the peace and security architecture and welcomed the four main goals of the reform. The proposal to establish a single political-operational structure would ensure better use of human capital at Headquarters by incentivizing staff to work together. The reform should result in better analysis, stronger support to troop and police contributing countries, more effective political engagement and enhanced accountability and transparency, as noted by the Secretary-General at the launch of the Action for Peacekeeping initiative in March 2018. Incorporating the Peacebuilding Support Office into the Department of Political and Peacebuilding Affairs and giving it a more central role in the peace and security architecture

would ensure a more strategic approach to the circle of conflict, but the Office must be properly resourced to enable it to support the whole spectrum of peace efforts.

74. Norway had long worked with the United Nations to promote gender equality and gender mainstreaming in the area of peace and security. Work on gender issues must be strengthened as part of the reform. In addition, the proposed restructuring did not set out sufficient measures for realizing the Secretary-General's vision. Reform was not an end in itself. Norway was cognizant of the interlinkages between the peace and security reform and the other reforms. The Secretary-General's intention to align authority with responsibility would empower those in the field and enhance accountability for results.

75. There was no perfect solution for organizing a complex administrative structure. The Secretary-General should take steps to ensure that there was no uncertainty about the reform, work with staff members in a constructive and inclusive manner throughout the reform process, and keep Member States informed as the new structure took root.

76. **Mr. Munir** (Pakistan) said that the international community was at a fork in the road. Crises, violence, conflict, crime and flaring tensions threatened international peace and the global security paradigm was changing dramatically. United Nations peace operations were key tools for countering threats to international peace and security. His delegation therefore welcomed the Secretary-General's commitment to reforming the Organization and making it more coherent, effective and fit-for-purpose.

77. Given the correlation between peace and security reform and management reform, a holistic view was required. As part of the efforts to simplify processes and procedures, there should be a clear delegation of authority. The reporting lines and accountability of senior officials in the two new departments should also be clarified. A clear set of criteria should have been set out for the transfer of the backstopping of field-based special political missions to the proposed Department of Peace Operations. Formal consultations with all stakeholders must be held as part of the restructuring of the peace and security pillar; triangular cooperation between troop-contributing countries, the Secretariat and the Security Council would make United Nations peace operations more effective and responsive. Lessons learned from past reforms would be relevant to the current exercise. When restructuring the two departments, consideration must be given to maintaining equitable geographical representation and representation of troop- and police-contributing countries.

78. **Mr. Cho** Tae-yul (Republic of Korea) said that the Member States had shown strong support for the Secretary-General's vision for reforming the peace and security architecture, given the urgent need to address multifaceted global challenges, such as the proliferation of conflicts and humanitarian crises. Member States had adopted a series of resolutions expressing support for his vision and over 50 heads of State and ministers had participated in the high-level meeting on peacebuilding and sustaining peace. His delegation welcomed the Secretary-General's reform proposals, particularly the measures intended to strengthen linkages among the reform pillars and thereby increase synergies among different parts of the United Nations system. Such a holistic approach should be fully and effectively integrated in the peace and security architecture, with the provision of additional capacities where needed.

79. The Committee must not lose sight of the bigger picture of why it was pushing the much-needed reforms forward. Its deliberations should be focused on how to reallocate or replenish resources effectively to ensure stronger synergies among the pillars of the Organization's work, particularly by enhancing the "hinge" role of the Peacebuilding Support Office, rather than on technical details confined to the administrative and budgetary implications of the reform. The Committee's review exercise should result in a less bureaucratic, more efficient United Nations and strengthen, rather than undermine, its credibility and effectiveness. A robust change management process should be established to ensure that the reform proposals approved by the General Assembly stayed on track and achieved their intended purposes.

80. **Mr. Gao** Huijun (China) said that, in the current very turbulent international and regional situation, traditional and non-traditional security questions were intertwined, posing serious challenges to global security. The United Nations must move with the times if it was to play an even greater role in international peace and security. The restructuring of its peace and security pillar should be guided by several principles.

81. First, the principles set out in the Charter of the United Nations and relevant General Assembly resolutions must be respected. The proposed restructuring did not imply a change of mandate. After the reorganization, the Organization should continue to focus on and be guided by mandated tasks and principles. The focus of conflict prevention should continue to be maintaining peace and security, while the aim of peacebuilding should be to strengthen a country's

political, security and development capabilities in order to help it move from a conflict situation to reconstruction. Peacekeeping operations should also follow established principles.

82. Second, efforts should be made to strengthen coherence and coordination between the parts of the Organization dealing with the peace and security pillar and the rest of the Organization. Clear lines of accountability should be established and communication and coordination should be improved, with a view to avoiding overlap, creating synergies and facilitating mandate delivery. Coordination should also be strengthened between Headquarters and the field to ensure the accuracy of information and the effective implementation of policies.

83. Third, while his delegation acknowledged the Secretariat's efforts to promote gender equality, more consideration should be given to achieving geographical equality by appointing more candidates from troop-contributing countries and underrepresented developing countries. The profile of police work should be raised and the number of police and law-enforcement posts should be increased. The security of peacekeepers should be improved and relevant functions and staffing should be strengthened. Evaluation should be used to increase the effectiveness and efficiency of peacekeeping operations and special political missions.

84. Lastly, the principles of leadership by Member States and transparency must be upheld. Member States should strengthen coordination, respect one another and accommodate one another's concerns to ensure that the reform process was transparent and inclusive.

85. **Mr. Oussihamou** (Morocco) said that his delegation welcomed the transparency of the consultations on the reform proposals. The holding of meetings open to all Member States had enabled delegations to express their concerns and expectations regarding the reform. Throughout the process, the Secretary-General had emphasized that the reform was not intended to change the mandates of peacekeeping operations or special political missions, reduce costs or cut posts.

86. In addition, the Secretary-General had pledged that peacekeeping operations would remain at the heart of the Organization's activities and would not be scaled back. The Security Council would have to take difficult decisions in the future because peacekeeping missions were under threat from armed groups and terrorists. The reform would strengthen the regional impact of the Organization's work and improve cooperation with regional and subregional organizations. It would also ensure that the principles of equitable geographical distribution and gender equality were considered when selecting candidates for Secretariat posts.

87. From the outset, his delegation had supported the peace and security reform. Preventive diplomacy, mediation, consolidating peace and the peaceful settlement of disputes were essential, as was maintaining the specific and distinct mandates of the peacekeeping operations and special political missions, in accordance with the relevant Security Council resolutions.

88. **Mr. Velázquez Castillo** (Mexico) said that his delegation welcomed the Secretary-General's comprehensive report, which was another step towards turning the reform into a reality and making the Organization more effective and efficient. While compartmentalization must be broken down to make the work of the United Nations system coherent and effective, the reform proposals must respect the nature of each pillar in order to ensure that the reform of the peace and security pillar achieved its four main goals. To achieve sustainable peace, instead of merely seeking to defuse crises, the root causes of conflicts must be addressed through mediation and prevention.

89. The Department of Political and Peacebuilding Affairs and the Department of Peace Operations must work together in a coherent manner to ensure a "whole-of-pillar" approach. His delegation would seek more information during the informal consultations about the proposed transfer of the backstopping of UNAMI and UNAMA to the Department of Peace Operations. The peace and security reform should contribute to wider ongoing efforts to reform the Organization; accordingly, all financing mechanisms and structures must be examined carefully. The fact that the Peacebuilding Support Office posts proposed by the Secretary-General could not be funded from budgetary resources was evidence of how dysfunctional the current arrangements were. Member States should be given more information on how the outcomes of the reforms would be measured and how they would be kept informed.

90. With multilateralism under attack, Member States must favour political solutions and multidimensional efforts to prevent conflict and build peace, with a view to developing comprehensive security, development and human rights strategies that took into account the role of women in the area of peace and security and that addressed humanitarian issues. Above all, the international community must continue to strengthen a form of global governance that safeguarded the interests of all parties, based on cooperation and international law.

91. **Mr. Ximenes Gonclaves** (Timor-Leste) said that the costing and operationalization of the proposed reform of the peace and security pillar should be considered holistically. The Member States must ensure that the Secretary-General had the necessary tools to implement the reform.

92. From 1999 to 2012, Timor-Leste had hosted various special political missions and peace-keeping missions and had experienced first-hand the fragmentation that could occur between and within missions during transitions. In Timor-Leste, lack of communication between the Department of Political Affairs and the Department of Peacekeeping Operations during transitions from one mission to another had resulted in lost opportunities to build on knowledge gained and good working relations and trust built up over many years between Timorese political leaders and the Department of Political Affairs. The peacekeeping missions overseen by the Department of Peacekeeping Operations started anew and did not capitalize on the good work done previously. The transitions would have been smoother had the missions been managed by a single department, as the Secretary-General was currently proposing.

93. In addition, the lack of delegated authority had hindered the ability of the missions to respond quickly to changing needs on the ground. The proposed management reforms, which included measures to delegate authority to the field, would certainly help to address that issue.

94. He urged the Committee to regard the reform proposals as a complete package, with a view to ensuring their effectiveness and increasing and streamlining the capacity of the peace and security pillar to contribute more effectively to conflict prevention and sustaining peace. If Member States rejected some of the proposals, the reform might have the opposite effect.

95. **Ms. Viotti** (Chef de Cabinet) said that she had taken note of the comments made by the Member States. Specific requests for information, such as the request made by the representative of Mexico, would be answered in due course during the informal consultations.

96. Responding to the question posed by the representative of Australia on behalf of Australia, Canada and New Zealand, she said that the Secretary-General was committed to strengthening peacebuilding functions, as he had indicated in March 2018 at the launch of the Action for Peacekeeping initiative. Accordingly, he had proposed an almost 50 per cent increase in assessed posts for the Peacebuilding Support Office. The impact of not redeploying three posts would be significant. They represented critical capacity for the Office, which had long been underresourced, as recognized in the reviews of the United Nations peacebuilding architecture conducted in 2010 and 2015. More importantly, not redeploying those posts would affect the logic of the Secretary-General's proposal to better integrate the tools at the disposal of the peace and security pillar, to improve coherence and to provide better support to the field. The Peacebuilding Support Office should be able to provide dedicated support for peacekeeping operations, to support the transition from peacekeeping to nationally led development.

97. Responding to the comments made by the representative of China, she said that the proposed reform of the peace and security pillar had indeed been guided by the principles he had referred to. For instance, the reform proposals did not seek to change any mandates. They sought to enhance coordination between Headquarters and the field, improve gender parity and ensure equitable geographical representation, which was a clear commitment of the Secretary-General.

Agenda item 149: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Cross-cutting issues (A/72/288, A/72/330 (Part II), A/72/751, A/72/751/Corr.1, A/72/770, A/72/789 and A/72/824)

98. **Ms. Bartsiotas** (Controller), introducing the Secretary-General's report on the overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2016 to 30 June 2017 and budget for the period from 1 July 2018 to 30 June 2019 (A/72/770), said that, in accordance with the recommendations of the Advisory Committee on Administrative and Budgetary Questions, the report focused on new developments and policy changes related to the financial and administrative aspects of United Nations peacekeeping operations. It also contained more analytical information on the main cost drivers and organizational initiatives and reflected enhanced transparency owing to the presentation of budget data in tabular and graphic formats.

99. Concerning budget performance during the 2016/17 period, $7.8 billion had been spent on peacekeeping operations, inclusive of all missions, the Regional Service Centre in Entebbe, the United Nations Logistics Base at Brindisi and the support account, with an overall budget implementation rate of 98.6 per cent, compared with the approved budget of $7.9 billion. The unencumbered balance of $108.8 million for the

2016/17 period mainly reflected underexpenditure in the budgets for several missions: the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), owing to the pursuit of locally sourced labour and materials for construction in lieu of commercial services, and the delayed deployment of the unmanned aerial system and one aircraft; the African Union-United Nations Hybrid Operation in Darfur (UNAMID), owing to reduced requirements for facilities and infrastructure and communications, as well as higher-than-budgeted vacancy rates for national staff and United Nations Volunteers; the United Nations Mission in South Sudan (UNMISS), as a result of reduced requirements for national staff owing to the depreciation of the South Sudanese pound against the United States dollar; the United Nations Stabilization Mission in Haiti (MINUSTAH), owing to reduced requirements resulting from the drawdown of the Mission in preparation for its closure; and the United Nations Interim Force in Lebanon (UNIFIL), attributable to reduced requirements related to the optimized utilization of aircraft for travel on rotation of military contingents. The overall budget implementation rate for 2016/17 represented a sharp increase from the rate of 96.6 per cent for the previous period. Moreover, compared with the 2015/16 period, the budget data for the 2016/17 period reflected reductions in the level of unliquidated obligations at year-end, as well as the level of resources redeployed and the need for resource redeployment.

100. A number of decisions taken by the Security Council during the 2016/17 period had had a significant impact on the mandates of peacekeeping operations, in particular the focus on a single strategic objective in the mandate of MINUSCA to support the creation of conditions conducive to sustainably reducing the presence of, and the threat posed by, armed groups, pursuant to Security Council resolution 2301 (2016); the authorization of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) to provide technical assistance and logistical support for the revision of the electoral register in the country, pursuant to Security Council resolution 2277 (2016); and the increase in the authorized strength of uniformed personnel serving in UNMISS, pursuant to Security Council resolutions 2304 (2016), 2326 (2016) and 2327 (2016), and in the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA), pursuant to Security Council resolution 2295 (2016).

101. During the 2018/19 period, peacekeeping would remain focused on Africa and the Middle East, where the regional, political, operational and security environments of missions were expected to remain difficult and volatile, requiring sustained high levels of deployment. The resources proposed for peacekeeping operations for the 2018/19 period, inclusive of the Regional Service Centre in Entebbe, the United Nations Logistics Base at Brindisi and the support account, amounted to $7.27 billion, representing a net decrease of $47 million compared with the approved resources for 2017/18, which, in turn, had represented a decrease of nearly $600 million compared with the approved resources for 2016/17. The proposed resources for 2018/19 reflected reductions under military and police personnel costs attributable to the closure of the United Nations Mission in Liberia (UNMIL); the transition from MINUSTAH to the related follow-on mission, the United Nations Mission for Justice Support in Haiti (MINUJUSTH); and the decrease in the authorized strength of uniformed personnel serving in UNAMID. Those reductions were partly offset by the mandated increase in the authorized strength of troops serving in MINUSCA and by higher expected deployment of military and police personnel in MINUSCA, MINUSMA and UNMISS. The proposed resources for 2018/19 also reflected decreased operational costs attributable to reduced requirements for air operations for MINUSCA, MINUSMA, the United Nations Support Office in Somalia (UNSOS), UNIFIL, UNMISS and the United Nations Interim Security Force for Abyei (UNISFA).

102. The Secretary-General was also seeking the authorization of the General Assembly to enter into commitments without assessment for the 2018/19 period in the amount of $84.5 million for the support to be provided by MONUSCO for the presidential and legislative elections in the Democratic Republic of the Congo, as requested by the Security Council in its resolution 2348 (2017).

103. **Mr. Khare** (Under-Secretary-General for Field Support) said that improving the effectiveness of United Nations peacekeeping was the best way to honour the sacrifices made by the more than 110,000 peacekeepers working in challenging and dangerous environments worldwide. In that connection, he paid a tribute to the 37 peacekeepers who had lost their lives in the first few months of 2018. Although more than 90 per cent of United Nations civilian and uniformed personnel served in the field and most of the Organization's financial resources were allocated to field requirements, field support remained characterized by slow, unresponsive service delivery, fragmented management structures, and a lack of transparency and accountability. The Secretary-General's proposed management reforms would address those challenges by bringing decision-

making closer to the point of delivery, fostering trust in and empowering managers, strengthening accountability and transparency, reducing duplicative structures, and improving field support. Member States must fully support those proposals, together with the proposed reforms of the peace and security architecture and of the development pillar.

104. The General Assembly's deliberations on the annual overview report of the Secretary-General provided an opportunity to discuss critical issues that affected peacekeeping and to strengthen the partnership between Member States and the Secretariat. The Department of Field Support continued to promote the realization of efficiencies in order to ensure the effective use of the Organization's limited resources. As a result of the successful completion of UNMIL and the United Nations Operation in Côte d'Ivoire (UNOCI), as well as the transition from MINUSTAH to MINUJUSTH, between the 2016/17 and 2018/19 periods, the proposed overall peacekeeping budget for 2018/19 reflected an 8 per cent reduction from the resources approved for the previous period. In addition, measures implemented between the 2016/17 and 2018/19 periods with the goal of optimizing the use of emerging technologies and shared services, and improving supply chain and environmental management, had resulted in a 4 per cent reduction between the proposed overall peacekeeping budget for 2018/19 and the resources approved for 2016/17. Such measures included the Secretary-General's initiative to comprehensively review and streamline aviation assets across peacekeeping operations, which was expected to result in efficiencies amounting to $51 million in 2018/19. Longer-term streamlining efforts were expected to yield further benefits in 2019/20. The budget reductions resulting from such efficiency measures had nevertheless been partly offset by cost pressures largely outside of the Secretariat's control, including weakening currencies; higher rates of reimbursement to troop- and police-contributing countries, as established by the General Assembly; increasingly insecure operational environments; and increasing staff entitlements and costs. Those cost pressures had been compounded by the mandated increase, between the 2016/17 and 2018/19 periods, in the number of troops serving in MINUSCA, MINUSMA and UNMISS.

105. In line with its duty of care towards United Nations peacekeepers, the Department of Field Support would collaborate with the Department of Peacekeeping Operations in implementing the recommendations contained in the report on improving the security of United Nations peacekeepers prepared by the former Force Commander of two United Nations peacekeeping missions, Lieutenant General Carlos Alberto dos Santos Cruz. The Department of Field Support was also committed to addressing, in partnership with Member States, reputational risks to peacekeeping such as sexual exploitation and abuse and other types of misconduct. In 2017, 62 allegations of sexual exploitation and abuse had been recorded across all missions, a significant decrease from the 104 allegations recorded in 2016. The webpage on conduct in United Nations field missions maintained by the Department and the relevant report of the Secretary-General (A/72/751) provided comprehensive updates on matters related to sexual exploitation and abuse. Furthermore, as part of his programme of action to combat sexual exploitation and abuse, the Secretary-General had introduced a voluntary compact outlining mutual responsibilities on the part of the United Nations and Member States for preventing such abuse, which had been signed by 92 States to date.

106. The first year of the six-year environment strategy launched by the Department in November 2016 with the aim of strengthening missions' capacity to manage resources and reducing the environmental impact of peacekeeping operations had been completed. In addition, a key performance indicator reflecting each mission's overall score from the environmental management scorecard developed by the Department had been introduced in the 2017/18 results-based budgeting framework for peacekeeping.

107. The Department continued to address gender and geographical imbalances in the staffing of peacekeeping missions by developing measures to address potential bias in interviews and by strengthening the senior women talent pipeline, an initiative designed to improve the representation of women in senior leadership functions in the field. The Department had also established a rapid response mechanism to provide human resources support to missions during critical stages of the mission life cycle and had developed human resources dashboards designed to facilitate the monitoring of human resources management authorities that had been delegated to the field.

108. The Department continued to implement its end-to-end supply chain management initiative with the aim of improving the visibility of information along the supply chain in order to strengthen coordination among supply chain planners and suppliers and distributors of goods and services to peacekeeping missions. Following the decommissioning of the Galileo asset management system and the completion of the first phase of deployment of the Extension 2 supply chain management functionality of the Umoja enterprise resource planning system, all equipment and assets in the field were being managed through Umoja. The

potential benefits of supply chain management included an expected reduction of approximately 10 per cent in the average cost of moving troops as a result of the implementation of a new methodology developed by the Department for the calculation of reimbursement of related claims under letters of assist. The Department had also conducted two trial movements of United Nations-owned equipment from Italy to MINUSMA using transportation provided by the Organization, which had resulted in savings of over 30 per cent compared with estimated costs and costs quoted by vendors. In addition, a supply chain management performance indicator and target had been incorporated in the 2018/19 results-based budgeting framework.

109. While continuing to seek cost efficiencies, the United Nations must limit its focus to a set of realistic goals and priorities for peacekeeping. To that end, it must regularly review its activities and implement the recommendations of the Board of Auditors concerning peacekeeping operations. The Manual on Policies and Procedures concerning the Reimbursement and Control of Contingent-Owned Equipment of Troop/Police Contributors Participating in Peacekeeping Missions (A/72/288), which had been updated to reflect the recommendations of the 2017 Working Group on Contingent-Owned Equipment, would soon be presented to the General Assembly. The Department would continue to work closely with troop-contributing countries to address capability gaps in peacekeeping operations, including by implementing the framework established by the General Assembly for reimbursement to troop-contributing countries for contingent-owned equipment and personnel.

110. **Mr. Kanja** (Assistant Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on its activities on peace operations for the period from 1 January to 31 December 2017 (A/72/330 (Part II)), said that OIOS had issued 204 oversight reports relating to peace operations in 2017. They included 552 recommendations, 13 of which had been classified as critical.

111. During the reporting period, the Internal Audit Division had continued to conduct thematic audits to identify systemic strengths and weaknesses across peace operations, with a view to assessing whether adequate policies had been developed and implemented, and whether there was appropriate monitoring and oversight. Thematic audits had been conducted in selected missions on public information, budget formulation and monitoring, medical services, business continuity and liquidation activities. The Division had issued 75 audit reports and 417 recommendations, 10 of which had been classified as critical. In addition, the Inspection and Evaluation Division had issued four reports and had continued to conduct comprehensive risk assessments of peacekeeping operations and mandates, in accordance with its work plan and in consultation with the Department of Peacekeeping Operations and the Department of Field Support.

112. The Investigations Division had issued 125 reports, comprising 43 investigation reports, 59 contingent reports and 23 closure reports. The Division had also referred 166 matters to appropriate offices or entities for possible action. Some 55 per cent of all reports issued related to sexual exploitation and abuse. In order to improve investigations into allegations of sexual exploitation and abuse, OIOS had developed a training course on forensic interviewing of children. The Division had also trained immediate response teams based in peacekeeping missions to ensure that critical and time-sensitive evidence was preserved, and had developed training for national investigation officers tasked with investigating, on behalf of Member States, misconduct by uniformed peacekeepers. The Division had also continued to work closely with the Special Coordinator on Improving the United Nations Response to Sexual Exploitation and Abuse, in particular in developing an incident reporting form for use by authorized United Nations personnel in order to ensure that the Organization consistently received and recorded initial information on allegations of sexual exploitation and abuse.

113. Efforts to address vacancy rates throughout OIOS had continued through the enhancement of recruitment strategies and the increased use of rosters for staff selection. The overall vacancy rate for the Office as at the end of April 2017 was 10 per cent and was expected to improve after the completion of the onboarding procedures for candidates selected to fill vacancies in, inter alia, the Investigations Division.

114. **Mr. Kisob** (Office of Human Resources Management), introducing the report of the Secretary-General on special measures for protection from sexual exploitation and abuse (A/72/751 and A/72/751/Corr.1), said that, in response to the General Assembly's requests in its resolutions 71/278 and 71/297, the report contained information on measures to strengthen the system-wide response to sexual exploitation and abuse, including progress in the implementation of the Organization's zero-tolerance policy and the Secretary-General's new approach to combating such abuse, as outlined in his previous report (A/71/818, A/71/818/Corr.1 and A/71/818/Add.1).

115. The format of the report (A/72/751 and A/72/751/Corr.1) had been simplified compared with that of previous year reports owing to the presentation, in a separate document available through the e-deleGATE web portal, of supplementary information, covering the period from 1 January to 31 December 2017, on allegations of sexual exploitation and abuse relating to personnel in peacekeeping and special political missions, other United Nations entities and non-United Nations international forces authorized by a Security Council mandate.

116. **Ms. Lute** (Special Coordinator on Improving the United Nations Response to Sexual Exploitation and Abuse), also introducing the report of the Secretary-General on special measures for protection from sexual exploitation and abuse (A/72/751 and A/72/751/Corr.1), expressed gratitude to the Committee for its support for the Secretary-General's aim of eradicating sexual exploitation and abuse throughout the Organization. The problem of sexual exploitation and abuse was not restricted to uniformed personnel, but was a system-wide issue. The Secretary-General was committed to preventing and responding rapidly to cases of such abuse by giving priority to the rights and dignity of victims; ending impunity; strengthening the Organization's engagement with civil society and external experts; and improving education and outreach.

117. She welcomed the reduction in the number of allegations of sexual exploitation and abuse recorded across peacekeeping missions from 2016 to 2017, while acknowledging that gaps in reporting continued to exist. All United Nations personnel, including managers at all levels, must demonstrate commitment in their day-to-day activities to eradicating sexual exploitation and abuse. In line with guidance from Member States, steps had been taken to clarify reporting lines for her Office and the Office of the Victims' Rights Advocate and to reduce overlap in their functions. In future, more needed to be done at the field level to address sexual exploitation and abuse.

118. The Chair drew attention to the letter dated 13 July 2017 from the Secretary-General to the President of the General Assembly transmitting the 2017 edition of the Manual on Policies and Procedures concerning the Reimbursement and Control of Contingent-Owned Equipment of Troop/Police Contributors Participating in Peacekeeping Missions (A/72/288).

119. Mr. Ruiz Massieu (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on cross-cutting issues related to peacekeeping operations (A/72/789), welcomed the emphasis placed by the Secretary-General in his overview report (A/72/770) on new developments, policy changes and management challenges across peacekeeping operations.

120. The overall peacekeeping budget and the number of uniformed personnel deployed in peacekeeping operations had been steadily decreasing since the 2014/15 period, while the number of civilian personnel had been progressively decreasing every year since 2012/13. The Advisory Committee recalled its reservations regarding the continued use of the cost-per-peacekeeper ratio as an indicator of the efficiency of peacekeeping operations and looked forward to the development of a more robust set of benchmarks in that regard. It also recalled its observation that the backstopping ratio — the percentage of aggregate peacekeeping resources allocated to backstopping support — did not appear to have a strict correlation with either uniformed or civilian personnel levels. The Advisory Committee had moreover expected that the implementation of efficiency initiatives would now be having a positive impact on the backstopping ratio.

121. The budget proposals for 2018/19 again reflected large numbers of post redeployments and reassignments within and between mission components. In that regard, the Advisory Committee stressed the need to ensure the stability of mission support structures so that their worth could be proven over time. It also emphasized that future modifications to those structures must be justified by changes in mandates or by compelling operational circumstances.

122. The Advisory Committee noted with regret that, once again, the Secretary-General had not provided a comprehensive description of the costs and benefits of the supply chain management strategy, despite the significant resources that had been allocated to the initiative in recent years and the extensive structural changes arising from its implementation. The Advisory Committee therefore recommended that the relevant information should be provided in the Secretary-General's next overview report.

123. The Advisory Committee noted the provision of more comprehensive information on air operations in the Secretary-General's report (A/72/770), in particular on the review of aviation assets conducted at the request of the Secretary-General. While noting the greater attention accorded by the Secretary-General to matters identified by the Advisory Committee and the Board of Auditors in previous reports, the Advisory Committee had made a number of observations regarding air asset utilization; the use, management and oversight of unmanned aerial systems; and the implementation of a

cost-recovery policy in respect of the use of mission assets by non-United Nations passengers.

124. The Advisory Committee noted the increase in programmatic activities funded from peacekeeping mission budgets. Notwithstanding the issuance by the Department of Peacekeeping Operations and the Department of Field Support in late 2017 of guidance on the criteria for the inclusion of such activities in mission budgets and on the related governance, monitoring and oversight arrangements, the Advisory Committee considered that greater clarity with regard to those matters was required. Thus, although the Advisory Committee was not proposing adjustments to the resources proposed for programmatic activities in peacekeeping missions for the 2018/19 period, it requested that the Secretary-General should provide the relevant clarifications without further delay. The Advisory Committee was also of the view that the experience gained in the liquidation of UNOCI, UNMIL and MINUSTAH provided a valuable opportunity for establishing best practices and institutionalizing lessons learned with respect to mission drawdown and liquidation.

125. Introducing the report of the Advisory Committee on special measures for protection from sexual exploitation and abuse (A/72/824), he said that, while the Advisory Committee noted the Secretary-General's efforts in that regard, in particular the ongoing development of a system-wide screening mechanism designed to identify potential job candidates with a history of sexual exploitation and abuse, it noted with concern the fragmented nature of reporting and data collection, as well as the lack of a common platform and established mechanisms for ensuring that all databases and offices shared the same information in a timely manner.

126. The Advisory Committee noted that the Special Coordinator on Improving the United Nations Response to Sexual Exploitation and Abuse and the Victims' Rights Advocate had no operational responsibility over the day-to-day work conducted by various offices at Headquarters and in the field. It stressed the need for an optimal structure for the treatment of all matters relating to sexual exploitation and abuse and cautioned against the potential risk of fragmentation in related work streams. Furthermore, the Advisory Committee considered that existing reporting structures for the Office of the Special Coordinator and the Office of the Victims' Rights Advocate should be assessed and adjusted and that the proposed structures and rationale for the placement of the two Offices within the Organization should be fully justified. In particular, the Advisory Committee had noted with concern the unorthodox arrangement whereby the Advocate, a senior-level post funded through regular budget resources, reported to the Special Coordinator, a temporary senior-level position funded through extrabudgetary resources.

The meeting rose at 1.10 p.m.